

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Meeting of the Board of Trustees

October 18, 2022 at 11:00 a.m.

Please note all members participated via telephone, video, or teleconference:

Members present:

CHRISTOPHER DUBE, Chairperson, Employer Representative (term expiring July 1, 2026)

BETH PEARCE, Vermont State Treasurer

MORGAN DAYBELL, Employee Representative (term expiring July 1, 2024)

KATHLEEN RAMSAY, Employer Representative (term expiring July 1, 2026)

KIMBERLY GLEASON, Vice-Chair, Employer Representative (term expiring July 1, 2023)

Also attending:

Tim Duggan, Director, Vermont Retirement System

Stephen Barry, Financial Administrator, Retirement Division

Ashlynn Doyon, Director of Financial Literacy and Outreach

Eric Henry, VPIC Chief Investment Officer

Mr. Dube called the Tuesday, October 18, 2022 Board Meeting to order at 11:01 a.m. which was held by conference call.

ITEM 1: Agenda approval and announcements

On a motion made by Ms. Ramsay, seconded by Ms. Pearce, the Board voted unanimously to approve the agenda.

ITEM 2: Approve the minutes of:

- **September 20, 2022**

On a motion made by Ms. Ramsay, seconded by Ms. Pearce, the Board voted unanimously to approve the minutes of the September 20, 2022, as presented.

ITEM 3: Prudential/Empower Contract Extension

Mr. Duggan presented the contract amendment with Prudential Retirement Insurance and Annuity Company/Empower that would extend through June 30, 2024.

Ms. Gleason joined the meeting at 11:05 a.m.

Mr. Duggan explained that all terms of the contract would remain unchanged with the exception of the fee structure of the VMERS Retiree Health Savings Plan. He explained that when the contract was originally executed there was an error, that Prudential honored, whereby the monthly fee was stated as an annual fee. For this extension, that annual fee will be changed to a monthly schedule.

On a motion made by Ms. Gleason, seconded by Mr. Daybell, the Board voted unanimously to approve the contract extension with Prudential Retirement Insurance and Annuity Company as presented by staff and to authorize the Chair to execute on the Board's behalf.

The Board discussed the possibility of doing an RFP in the future to get a sense of what is available in the market.

ITEM 4: Dental Insurance RFP

On a motion made by Ms. Gleason, seconded by Mr. Daybell, the Board voted to enter into executive session at 11:14 a.m. because premature general public knowledge about the contract negotiations with a prospective dental insurer would clearly place the Board at a disadvantage.

Eric Henry left the meeting at 11:14 a.m.

The Board came out of executive session at 11:16 a.m.

Eric Henry joined the meeting at 11:16 a.m.

ITEM 5: Sheriff's Study Update

Ms. Pearce presented the Treasurer's report requested by the Legislature on the membership transfer from VSERS to VMERS. Board members expressed concerns because of the potential for increased cost to the System and inequities caused by allowing a transfer of membership. Mr. Duggan emphasized that data presented is a general framework for what a transfer would look like and not representative of a specific plan.

On a motion made by Ms. Gleason, seconded by Ms. Ramsay, the Board voted unanimously to accept the Sheriff's Study report, its findings, and the recommendations of the Treasurer's Office and to oppose any action that would increase the unfunded liability of VMERS and impose undue financial burden on VMERS.

ITEM 6: VPIC Attendance Report

Mr. Duggan presented the VPIC Attendance Report to the Board.

ITEM 7: Adjournment

Mr. Duggan announced that there is an opening on the Medical Review Board and that staff is working to fill the position. He also gave the Board an update on the Member Booklet process and reminded the Board of the October 27, 2022, meeting to review the Actuarial Valuation. Mr. Dube thanked staff for their work on the Sunset Advisory Committee response.

Ms. Gleason and the entire Board thanked Ms. Pearce for her many years of service.

On a motion made by Ms. Gleason, seconded by Ms. Ramsay, the Board voted unanimously to adjourn at 11:43 a.m.

Next Meeting Date:

The next scheduled VMERS meeting is Tuesday, October 27, 2022 at 11:00 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S B O', is positioned above the typed name and title.

Stephen Barry
Secretary of the Board
Financial Administrator I